

OREGON LEGISLATIVE ASSEMBLY
900 COURT ST NE
SALEM, OREGON 97301

CC: 96-45

WC: 05-337

Monday, June 18, 2007

Dear Commissioner McDowell:

We write this letter to voice our opposition to the proposed cap on the Universal Service Fund (USF) for wireless carriers being considered by the FCC. The FCC created the USF to ensure that telecommunications technology does not leave rural communities behind. Wireless technology is the future of telecommunications and it is our responsibility to work toward expansion and modernization of these systems. The proposed cap violates the fundamental purpose of the USF and undermines much of the progress made in recent years.

In Oregon, imposition of the cap would mean that each eligible wireless carrier would receive less than two-thirds of the USF support, which they have relied on for retention and expansion of services. This would force each of these wireless carriers to remove over a third of their investment in rural wireless infrastructure included in network improvement plans that have already been approved by the Oregon Public Utility Commission. Many new cell sites planned for rural Oregon will simply not be built under this arbitrary and retroactive cap.

When it comes to public safety, reliable wireless service can mean the difference between life and death. For example, last winter the Kim family rescue efforts were greatly aided by wireless facilities of one of the wireless carriers that currently receives USF support in Oregon. The availability of these facilities saved lives.

Communication is the foundation of every emergency response. The reliability of mission-critical public safety communications during a man-made or natural disaster is crucial to saving lives and property. Furthermore, a cap would undermine state and local efforts to meet a FCC mandate to modernize wireless communication infrastructure between public safety agencies.

There are also economic considerations. Businesses will be reluctant to locate or to remain in small towns in rural Oregon if they can not receive a wireless signal - while walking down a main street, traveling to and from the airport or holding a meeting outside the office. Reliable cell phone service enables our rural communities to better compete in the marketplace.

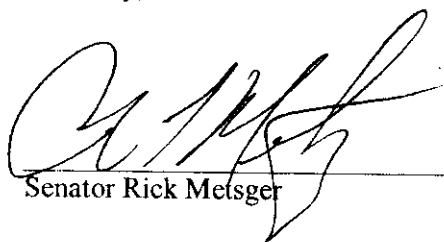
The proposed wireless cap is seriously flawed and would create unacceptable inequities between rural consumers in different states. The cap would arbitrarily lock funding at 2006 disbursement levels, which would seriously disadvantage states that have designated new wireless carriers that are currently eligible to receive USF support. This would leave several states, including Oregon, well behind the relative USF support levels enjoyed by other states.

It is easy to take reliable wireless service for granted if you live in a large city. Unfortunately, in more rural parts of Oregon, residents do not always have that luxury. Residents of rural Oregon need the same public safety, health and economic development tools that are utilized throughout the state. This can only happen by protecting USF funding for wireless carriers, and we urge you to please vote "no" to the seriously flawed cap on the Universal Service Fund.

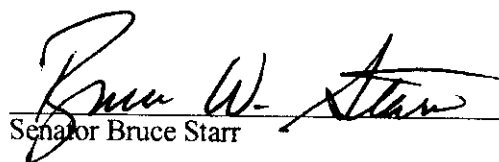
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Sincerely,



Senator Rick Metsger



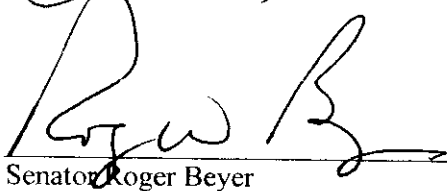
Senator Bruce Starr



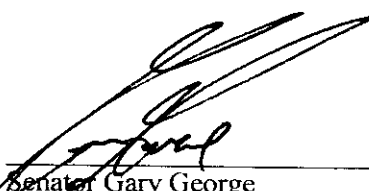
Senator Ted Ferrioli



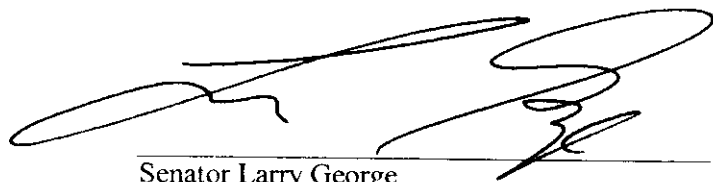
Senator David Nelson



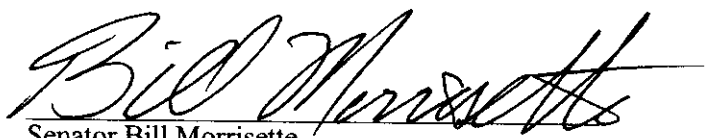
Senator Roger Beyer



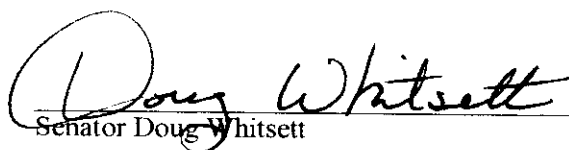
Senator Gary George



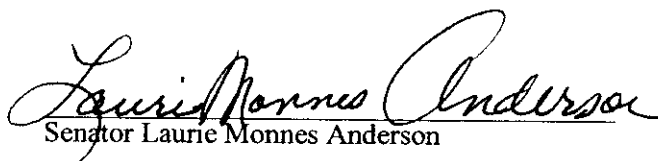
Senator Larry George



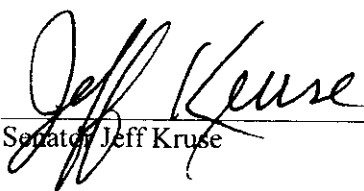
Senator Bill Morrisette



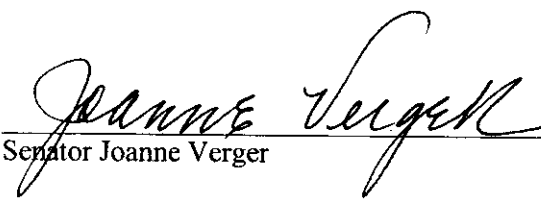
Senator Doug Whitsett



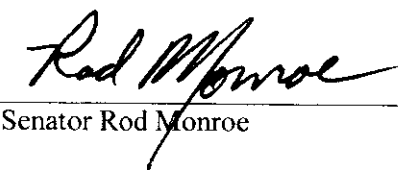
Senator Laurie Monnes Anderson



Senator Jeff Kruse



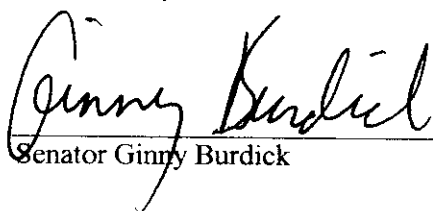
Senator Joanne Verger



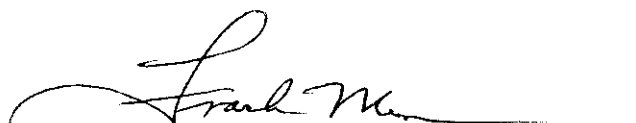
Senator Rod Monroe



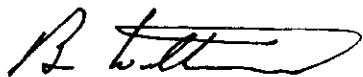
Senator Alan Bates



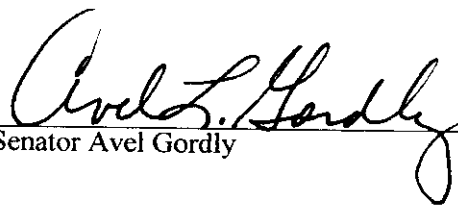
Senator Ginny Burdick



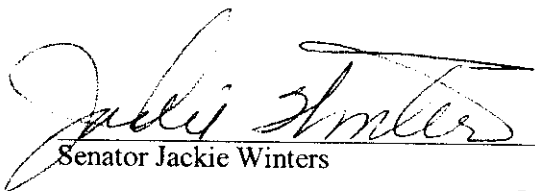
Senator Frank Morse



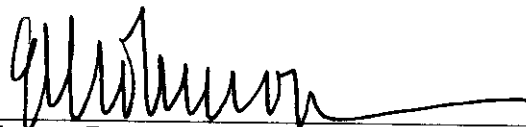
Senator Ben Westlund



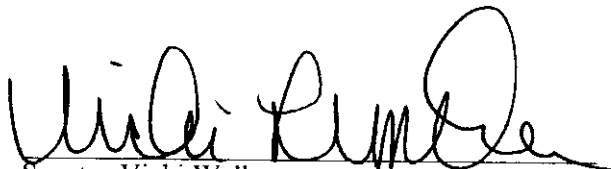
Senator Avel Gordly



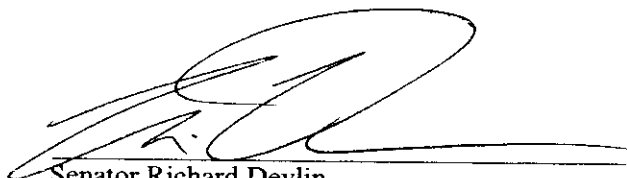
Senator Jackie Winters



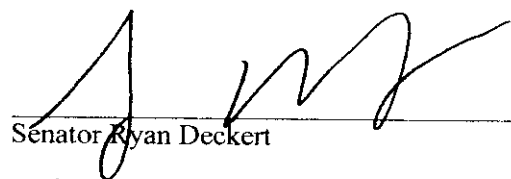
Senator Betsy Johnson



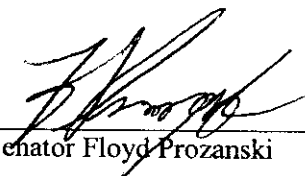
Senator Vicki Walker



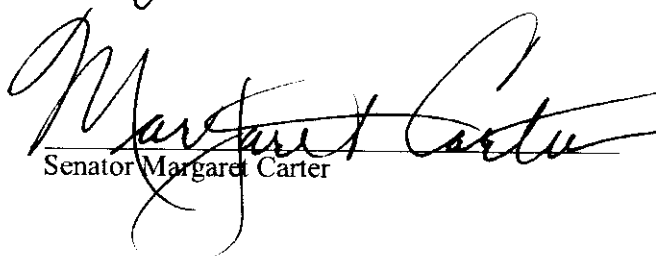
Senator Richard Devlin



Senator Ryan Deckert



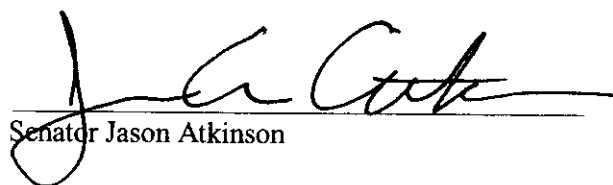
Senator Floyd Prozanski



Senator Margaret Carter



Senator Brad Avakian



Senator Jason Atkinson

cc: Federal Communications Commission, Docket No. 05-337
Senator Gordon Smith
Senator Ron Wyden
Oregon Congressional Delegation